GOVERNMENT OF INDIA
TEXTILES
LOK SABHA

UNSTARRED QUESTION NO:3703
ANSWERED ON:08.12.2016
Closed Mills
Rathore Shri Hariom Singh

Will the Minister of TEXTILES be pleased to state:

(a) the number of textile/spinning mills including cotton, man-made fiber, powerloom which were closed or declared sick during each of the last three years and the current year along with the reasons therefor, State/UT-wise;

(b) whether the Government has revived or proposes to revive the said closed mills and if so, the details thereof along with the number of closed mills revived, State/UTwise; and

(c) the financial/technological assistance, if any, provided by the Government to the closed mills and if not, the reasons therefor, State/UT-wise?

Answer

MINISTER OF TEXTILES
(SMT. SMRITI ZUBIN IRANI)

(a): The details of State wise cotton/man-made fibre textile mills (Non-SSI) closed during last three years and current year are at Annexure-I. No textile mill of National Textile Corporation has been closed during the last three year and during the current year. The main reasons for closure of textile mills include inadequate working capital, insufficient cash flow, increase in cost of production, squeezed profit margin, stressed assets, etc.

(b) & (c): The Government has no scheme/programme to revive these mills at present. However, the Board for Industrial & Financial Reconstruction (BIFR) was set up under Sick Industrial Companies (Special Provisions) Act, with a view to arranging the timely detection of sick and potentially sick companies (including textile mills) and for the speedy determination of preventive, ameliorative and remedial measures which need to be taken in respect of such companies including closed mills. The status of the cases registered with BIFR is decided by BIFR on the basis of its findings and the relief / concession etc. are given to units / companies based on approved revival packages.